

## Talking Points

### CA UIC Briefing for RA – July 20, 2016

- \* Our last briefing for you on the CA UIC program was in May 2016 (preparation for Sen. Pavley call)*
- \* Key developments: Received only one formal AE proposal; three others transmitted informally just prior to/during State's public comment period. About 7 packages total have gone to State Board for concurrence.*
- \* EPA, DOGGR, and State Board Met with industry representatives on July 7 in Bakersfield.*

2 main topics for this briefing - Aquifer Exemptions and Overall Program Compliance

#### Aquifer Exemptions

- **AE Compliance Schedule regulations**; emergency regulations in place (Apr 2015; expire July 2016); permanent rulemaking initiated in May 2015, DOGGR working to finalize before expiration of Emergency Regs

[Shut-in Deadlines: **Oct 2015** for disposal in sub-3,000; **Dec. 2016** for HTAE; and **Feb 2017** for the rest]

- **Overall status for AEs**: Overall, about 20-25 AE packages are undergoing review by the State (~15 from Inland District and ~6-8 from Coastal District)

1 submitted to EPA (Arroyo Grande); 2 in public comment (Round Mountain and Fruitvale); 1 about to go out for public comment (Tejon). Inland District working to get remaining AE packages they have (~10-12) to SWB by end of July.

State messaging to operators that packages not out for PN by **August 15, 2016** will not make timeframe for EPA review/approval by February 15, 2017 (our Compliance Schedule includes a **deadline of October 15, 2016** for submission to EPA of any AEs for decision by February 15, 2017).

- To facilitate EPA's review of packages and timely identification of key issues, we are requesting earlier review of packages (2-3 weeks before State public notices). We are also instituting bi-monthly tracking meetings with the state.

- **Arroyo Grande AE Request (Coastal District)**: April 2016 letter from EPA requesting additional information; EPA and the state held informal discussions regarding state's proposed responses. Awaiting DOGGR's formal response. **Supplemental information will require EPA to seek public input – public comment period; opportunity for in-person meetings and/or public hearing.**

Deliberative. Do not quote or cite. Not for FOIA release.

### Overall Class II UIC Program Compliance

- **UIC Program Rulemaking:** 1<sup>st</sup> phase of rulemaking to address shortcomings in UIC program identified by EPA and to modernize and improve their UIC rules – defining USDW, standards/permitting for cyclic steaming, MIT requirements, standards/process for establishing max injection pressure. [EPA provided comments on AOR for cyclic steam wells, USDW definition, and clarifying that gas storage wells are not UIC regulated]. Regulatory effort on gas storage has taken precedence over UIC rulemaking

- **Project-by-project reviews:** State plan to review all approved projects arose out of the Cypress report; DOGGR's October 2015 Renewal Plan timeframe was to initiate in Fall 2015 and complete all reviews by April 2017, with Project Approval Letter (PAL) revisions ongoing, as needed. Aliso Canyon event, and gas storage regulatory efforts have delayed DOGGR's schedule.

The state estimates they will need to complete about **900 project reviews**. We are continuing to work with the state to prioritize project reviews (e.g., disposal wells; wells in fresher aquifers; projects with no AOR, projects in fields where state is seeking AE). We are also continuing to discuss whether/how this effort may be incorporated into the UIC Compliance Plan.

- **Class II UIC Database (WellSTAR):** State tracking and reporting system; proof of concept began in January 2016; using an accepted Class II dbase platform developed by GWPC and tailoring it for CA.

### Communications/Outreach

- Outreach to McCarthy's and Capps' staff
- Draft Appropriations language
- Follow-up with Pavley (?)
- July meetings with industry; set up another round for October 2016
- Coordinate messaging of key deadlines (August 2016/October 2016/December 2016/February 2017) with State
- NRDC petition/HQs meeting with petitioners